

Hon. Thomas T. Glover  
Chapter: 11  
Location: Seattle, Courtroom 7106  
Hearing Date: March 20, 2009  
Hearing Time: 9:30 a.m.  
Response Date: February 27, 2009

UNITED STATES BANKRUPTCY COURT  
FOR THE WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

In re:

GOKSTAD, INC.,  
f/k/a WESCOLD, INC.,

Debtor.

NO. 08-14902

ORDER (1) GRANTING MOTION OF  
WELLS FARGO BANK, NATIONAL  
ASSOCIATION FOR IMMEDIATE  
TURNOVER OF CASH COLLATERAL, (2)  
DIRECTING DISBURSEMENT OF  
UNENCUMBERED FUNDS, AND (3)  
DISMISSING CASE

THIS MATTER came on for hearing before the Court upon the motion of secured creditor Wells Fargo Bank, National Association ("Wells Fargo"), for an order requiring the immediate turnover by the Debtor of all cash collateral of Wells Fargo in the Debtor's possession. The Court has reviewed the Motion of Wells Fargo Bank, National Association for Immediate Turnover of Cash Collateral (the "Motion"), the arguments of counsel and the files and records herein. The Debtor's request pursuant to Section 506(c) is resolved pursuant to the terms of this Order. The Court, on its own motion, determined that dismissal of the case is in the best interests of the Debtor, creditors, and the estate. The Court established March 18, 2009, as the deadline for the filing of administrative expense claims to be paid from unencumbered funds and has determined that administrative expenses claims shall be allowed and paid as set forth

ORDER (1) GRANTING MOTION OF WELLS FARGO  
BANK, NATIONAL ASSOCIATION FOR IMMEDIATE  
TURNOVER OF CASH COLLATERAL, ETC. - 1

*Cairncross & Hempelmann, P.S.*  
*Law Offices*  
524 Second Avenue, Suite 500  
Seattle, Washington 98104-2323  
Phone: 206-587-0700 • Fax: 206-587-2308

1 herein. The Court being fully advised in the premises, it is hereby ORDERED, ADJUDGED  
2 AND DECREED:

3 1. The Motion is granted as set forth herein.

4 2. The Debtor shall immediately pay \$9,695.01 by wire transfer from its Wells  
5 Fargo Bank Northwest, N.A. bank account to the trust account of Cairncross &  
6 Hempelmann, P.S. ("Cairncross") for further disbursement, along with \$50,304.99 of the  
7 "Purchase Price" deposited with Cairncross as the Escrow Agent under the Order Granting  
8 Motion (1) to Sell Substantially All of Debtor's Assets, (2) Authorize Assumption,  
9 Assignment, or Rejection of Executory Contracts, (3) Confirm Termination of Hayden  
10 Products, LLC Agreement, and (4) Extend Time to Assume or Reject Youngren Lease (the  
11 "Sale Order"), to holders of allowed administrative expense claims pursuant to the terms of  
12 this Order. The total amount of \$60,000 shall be free and clear of the interests of Wells  
13 Fargo and shall constitute the "Unencumbered Funds".  
14

15 3. After the foregoing wire transfer, and net of standard bank charges incurred in  
16 connection therewith, the Debtor shall turn over to Wells Fargo all remaining cash in its  
17 Wells Fargo Bank Northwest, N.A. account free and clear of liens, claims, and encumbrances  
18 other than the lien of Wells Fargo.  
19

20 4. The "Remaining Unpaid Amount" as defined in the Order Granting Final  
21 Application for Compensation of Fees and Expenses of Primary Bankruptcy Counsel  
22 Cairncross & Hempelmann, P.S. (the "Fee Order") shall be modified to mean \$117,286.02.  
23

24 5. The Cairncross prepetition retainer referenced in the Fee Order in the amount  
25 of \$17,370.60 (the "Retainer") is unencumbered and shall be added to the Unencumbered  
26 Funds for the purposes of determining the pro rata disbursement on allowed administrative

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claims hereunder (creating a ratio of 77,370.60/218,280.34, or approximately 35.45%).  
Cairncross is authorized to and shall apply the Retainer to its pro rata distribution (rather than to the full Remaining Unpaid Amount before calculation of the Cairncross pro rata distribution).

.6. Cairncross is authorized and hereby directed to disburse the Unencumbered Funds in the amount of \$60,000.00 from its trust account to holders of the following allowed unpaid administrative expenses claims as follows:

Claimant	Allowed Unpaid Amount	Pro Rata Disbursement
Cairncross	\$117,286.02	\$24,202.03 (net of the Retainer)
Crocker Kuno PLLC	\$18,492.14	\$6,554.64
Thompson Kessler Wiest & Borquist, PC	\$5,562.50	\$1,971.66
Shaun Watchie Perry	\$5,141.95	\$1,822.59
Seattle Area Plumbing & Pipefitting Industry Journeymen and Apprentice Training Trusts	\$60,316.73	\$21,379.58
United States Trustee	\$9,750.00	\$3,455.94
Compensation Consultants, Inc.	\$1,731.00	\$613.56
<b>TOTAL</b>	<b>\$218,280.34</b>	<b>\$60,000.00</b>

7. Any portion of the "Purchase Price" deposited with Cairncross as the Escrow Agent under the Sale Order that remains unclaimed on April 30, 2009, after payment of the amounts authorized to be disbursed under this Order and earmarked for payment under the

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1 Sale Order shall be disbursed by Cairncross to Consumer Education and Training Services,  
2 and Cairncross shall be discharged of any duties as Escrow Agent under the Sale Order.

3 8. This case shall be and hereby is dismissed and closed effective March 31,  
4 2009.

5 9. Notwithstanding such dismissal, all orders entered in this case shall remain  
6 valid and effective.

7 10. This Court shall retain jurisdiction to interpret and enforce any and all such  
8 orders without requiring the case to be reopened.

9 11. Upon dismissal of this case, Cairncross and Shaun Watchie Perry are  
10 authorized to withdraw as attorneys for the Debtor in this case and any other proceeding.  
11

12  
13 DONE IN OPEN COURT this 20th day of March, 2009.

14  
15  
16 

17 Thomas T. Glover  
United States Bankruptcy Judge  
(Dated as of "Entered on Docket" date above)

18 Presented by:  
19 Schweet Rieke & Linde, PLLC  
20 Attorneys for Secured Creditor  
Wells Fargo Bank, National Association

21 By: /s/ Thomas S. Linde  
22 Thomas S. Linde  
23 WSBA# 14426

24 Agreed as to form; approved for entry:

25 CAIRNCROSS & HEMPELMANN, P.S.

26 /s/ John R. Knapp, Jr.

John R. Knapp, Jr., WSBA No. 29343

Attorneys for Gokstad, Inc. f/k/a Wescold, Inc.

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